(c) Export performance is dependent, inter alia, on international factors such as market conditions and tariff and non-tariff barriers to trade, besides policy frame work and procedures, state of domestic infrastructure, specific sectoral problems etc.

(d) Trade promotion is a continuous and sustained process and measures are continuously being taken by the Government to promote trade through policy and promotional measures. For instance, the new Exim Policy for 1997-2002 has considerably simplified the policy and procedures; imports are being gradually liberalised to facilitate availability of raw materials and inputs to the export sector besides widening and modernising the indigenous production base; country-specific initiatives have also been undertaken to promote trade; Export Promotion Industrial Park Scheme has been implemented to support the State Governments in their export promotion effort; an India Brand Equity Fund has been created to create a better image for Indian products abroad; interactive discussions with Export Promotion councils, Commodity Boards and trade and industry are being held to evolve measures to boost exports; interest rate on export credit has been reduced and it has been decided to set up an empowered Export Board to resolve the issues and problems facing exporters in achieving better inter-Ministerial coordination.

Steps to Improve Export Performance

655. DR. MANMOHAN SINGH:
DR. Y. LAKSHMI PRASAD:
SHRI K.M. SAIFULLAH:
SHRI O.P. KOHLI:

Will the Minister of COMMERCE be pleased to state:

(a) the export performance in 1995-96 and 1996-97; details of items exported and foreign exchange earned;

(b) the reasons for the short-fall in exports during the last years; and

(c) the measures taken to overcome any shortfall this year and improve export performance?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) The value of exports, as per provisional DGCI&S data for the year 1996-97 was US $ 33106 million as compared to US $ 31797 million achived during 1995-96 which is 4.12% higher than the value of 1995-96. The major foreign exchange earners in the export basket during 1996-97 were, textiles (US $ 7990 million); gems & jewellery (US $ 4744 million); chemicals & related products (US $ 4071 million), engineering goods (US $ 3941 million), ores and minerals (US $ 1146 million); marine products (US $ 1121 million) and agriculture and allied products (US $ 4505 million).

(b) Export performance is dependent, inter alia, on international factors such as market conditions and tariff and non-tariff barriers to trade, besides domestic factors such as policy frame-work and procedures, state of domestic infrastructure, export competitiveness of export products etc. A slow down in exports during 1996-97 is to be viewed in the context of a substantial slow down in world trade at 4% growth during 1996 as compared to 19% growth in 1995, low/negative import growth in India's major trading partners, a paradigm shift in demand for soft goods exported by India, sector-specific issues affecting gem & jewellery, leather sector etc. and infrastructural constrainst.

(c) A number of measures have been taken by the Government to improve export optimism and strengthen the incentive system. The Budget 1997-98 restored the 80 HHC provision in terms of income tax exemption of export profits. The new Exim Policy for 1997-2002 has considerably simplified the policies and procedures and consolidated the gains of previous Exim Policy. Efforts have been made to provide a hassle-free trading environment. Separately, Ministry of Commerce held discussions with the Export Promotion Councils and Commodity Boards regarding promotion measures to achieve higher growth. Separately, meeting with trade and industry were organised by the chambers of commerce and apex organisations like FIEO. Inter-Ministerial discussions were held with Ministry of Finance, Textiles, Surface Transport to address specific

measures required urgently to improve exports. Interest on export credit has been reduced by one percentage point. It has been decided to set up an Export Promotion Board to resolve inter-Ministerial issues and to give a national priority thrust to export efforts.

Procurement Target for Non-Basmati Rice and its Export

656.SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of COMMERCE be pleased to state:

(a) the quality of non-basmati rice expected to be exported during the year 1997-98;

(b) whether it is a fact that the procurement target for non-basmati rice for the year 1996-97 has fallen short; and

(c) if so, the reasons for non-basmati rice being allowed to be exported inspite of its shortage in the country?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) The non-basmati rice exported would be mainly of fine and superfine varieties.

(b) No, Sir.

(c) Does not arise.

Proposal to Encourage Tea Plantation in non-Traditional Areas in Uttar Pradesh

657. SHRI RAJNATH SINGH SURYA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have any proposal to encourage tea plantation in non-traditional areas;

(b) if so, the reasons therefor;

(c) whether Government have taken steps to promote traditional plantation sites in U.P.;

(d) whether Government have received any proposal from Uttar Pradesh to develop non-traditional sites for tea; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) and (b) With a view to augment production of tea and given the constraints on availability of land suitable for tea cultivation in the traditional areas, Government has been encouraging setting up of tea plantations in non-traditional areas where land suitable for tea cultivation is available.

(c) Yes, Sir.

(d) and (e) Following project proposals for financial assistance have been received by the Tea Board in March, 1997, from the Government of Uttar Pradesh, for development of tea plantations in non-traditional areas of the State:-

(i) Nucleus tea project at Kausani in Kumaon region with an outlay of Rs. 564.80 lakh.

(ii) Nucleus tea project at Nauri in Garhwal region with an outlay of Rs. 558.15 lakh.

The project proposals have been accepted in principle by the Board, subject to fulfilment of certain requirements before sanction and funding. This is being followed up by the Tea Board with the Government of Uttar Pradesh.

Ban of Export of Granite

658. SHRI BHAGABAN MAJHI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken decision to impose ban on the export of granite;

(b) if so, since when; and

(c) the reasons for imposing such ban?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH) (a) No, Sir.

(b) and (c) Do not arise.

Talks with Export Organisations to check the Declining Trend of Exports

659. SHRI S.M. KRISHA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Indian exports